# Washington State House of Representatives Office of Program Research

BILL ANALYSIS

## **Higher Education Committee**

### **HB 1303**

**Brief Description**: Creating the degree production incentive program.

**Sponsors**: Representatives Haler, Pollet, Zeiger and Bergquist.

#### **Brief Summary of Bill**

- Creates the Degree Production Incentive Program to incentivize the production of degrees awarded to resident students who are low income, first generation, or who earn a degree in the science, engineering, math, technology (STEM) or other high employer demand fields at the regional universities and The Evergreen State College.
- Creates the Degree Production Incentive Account, managed by the Washington Student Achievement Council, and provides how money shall be disbursed to the institutions.
- Requires the Joint Legislative Audit and Review Committee to evaluate the program's effectiveness and report to the Legislature every even year beginning December 1, 2016.

**Hearing Date**: 2/4/15

Staff: Megan Wargacki (786-7194).

#### Background:

#### Performance Funding.

Many states provide funding to higher education institutions based on how many full-time equivalent students are enrolled at the beginning of the semester. This model provides incentives to enroll students and increases access to postsecondary education, but does not necessarily encourage institutions to ensure that students successfully complete degree programs. Many states are now aligning funding models with state goals and priorities by allocating some amount of funding based on performance indicators, such as course completion, time to degree, transfer rates, the number of degrees awarded, or the number of low-income and minority graduates.

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This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not a part of the legislation nor does it constitute a statement of legislative intent.

The State Board for Community and Technical Colleges started the Student Achievement Initiative to both improve public accountability by more accurately describing what students achieve from enrolling in the colleges each year, and to provide incentives through financial rewards to the colleges for increasing the levels of achievement attained by students. The categories of measures are:

- building towards college-level skills (basic skills gains, passing precollege writing or math):
- first year retention (earning 15, then 30, then 45 college level credits);
- completing college-level math (passing math courses required for either technical or academic associate degrees);
- retention (increasing achievement from previous enrolled year); and
- completions (degrees, certificates, apprenticeship training).

#### State Agencies.

The Washington Student Achievement Council (WSAC) was created to provide strategic planning, oversight, advocacy, and programs that support increased student success and higher levels of educational attainment in Washington. The WSAC administers the state financial aid programs.

The Education Data and Research Center (ERDC), in the Office of Financial Management, has developed a longitudinal information system, concerning early learning through higher education and the workforce. The system was designed to facilitate analyses, provide meaningful reports, collaborate on education research, and share data.

The Joint Legislative Audit and Review Committee (JLARC) is comprised of an equal number of House and Senate members, Democrats and Republicans. The non-partisan staff of the JLARC conduct performance audits, program evaluations, sunset reviews, and other analyses assigned by the Legislature and the Committee itself.

#### **Summary of Bill**:

The Degree Production Incentive Program is created to incentivize the production of degrees awarded to resident students who are low income, first generation, or who earn a degree in the science, engineering, math, technology (STEM) or other high employer demand fields at the regional universities and The Evergreen State College. Terms are defined: "first generation" means students whose parents did not achieve more than a high school diploma, and "low income" means students who are from low income families as defined by the ERDC.

The Degree Production Incentive Account (Account) is created and managed by the WSAC. Expenditures from the Account must be used to incentivize the regional universities and The Evergreen State College to meet degree production goals to increase:

- undergraduate degrees awarded;
- undergraduate degrees awarded in the STEM and high employer demand fields;
- degrees awarded to low income undergraduate students;
- degrees awarded to first-generation undergraduate students; and
- the acceptance rate of in-state students.

The WSAC must disburse money to the institutions, annually, according to the total points earned by the institution, determined using the data collected by the ERDC. Total points earned

equals the sum of points earned for each relevant degree awarded, multiplied by the acceptance rate of in-state students.

The JLARC must evaluate the program's effectiveness and report to the Legislature every even year beginning December 1, 2016.

Appropriation: None.

Fiscal Note: Available.

**Effective Date**: The bill takes effect 90 days after adjournment of the session in which the bill is passed.

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